



United Way of Central and
Northeastern Connecticut

Senator Fonfara, Representative Scanlon, and members of the Committee, thank you for the opportunity to submit testimony in support of **HB 5403, "An Act Establishing a Child Tax Credit Against Personal Income Tax."** My name is Eric Harrison, and I serve as President and CEO of United Way of Central and Northeastern Connecticut, which serves 52 communities.

United Way of Central and Northeastern Connecticut brings the right people, resources and organizations together to address immediate needs and finds long-term solutions to challenging problems. United Way does this by investing in programs and services, leading community change initiatives, and mobilizing resources and volunteers to ensure that children succeed in school; people get jobs and are financially secure; people are healthy; and, basic needs are met during tough times.

We are committed to helping ALICE (Asset Limited, Income Constrained, Employed) Households achieve a more secure financial future. The 2020 Connecticut United Ways ALICE Report revealed that 38% of households across our state were living paycheck to paycheck even before the onset of the COVID-19 pandemic. Despite working hard, these households struggle to afford necessities such as housing, food, childcare, transportation, technology and healthcare.

United Way of Central and Northeastern Connecticut is in favor of the proposed measure establishing a Child Tax Credit for Connecticut families starting January 1, 2022.

We see the challenges people and families face every day through our work in the community. Child tax credits are one of the most effective policy tools to reduce child poverty, and Connecticut is one of only two states (Connecticut and Pennsylvania) that has a state-level income tax with *no* child exemption or credit specifically designed to adjust for family size.

A Connecticut CTC means that working- and middle-class Connecticut families with children will keep additional hard-earned income, up to \$600 per child, which they can use for the life costs that they prioritize. CTC can provide an important source of flexible income to meet gaps in essential family budget areas including childcare, rent, food, transportation, and medical expenses.

With all this in mind, **we support HB 5403 measure that seeks to establish a Child Tax Credit for CT's families.**

Thank you for the opportunity to submit testimony in support of this important bill.

Thank you,
Eric Harrison
President & CEO
United Way of Central and Northeastern Connecticut